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• Tax changes could put job-seekers on road out of Britain



David Morel
Opinion

Over the past year we have seen an unprecedented number of job-seekers looking for work abroad.

Emigration figures compiled by the Office for National Statistics (ONS) have not been released for 2008 (they are due in the autumn), but earlier figures show a steady increase in people leaving England and Wales, for 12 months or more, from 230,000 in 1998 to 340,000 in 2007.

Technological advances in

communication, particularly in the past decade, are the primary catalyst. The advent of social and business networking sites has revolutionised the way in which people communicate with each other. You can build up a network of friends and business contacts on the other side of the world through no more than a few degrees of separation.

Combine this with your ability to send and receive an e-mail from just about anywhere and further advances in Voice over IP technology and suddenly moving to the other side of the world doesn't seem the daunting prospect that it might have once been. The proposition is more affordable than ever before, made even more so by cheaper and more available travel.

Our research has shown that a

significant proportion of job-seekers have emigrated or are looking to emigrate because of the harsh market conditions we have experienced over the past 18 months in the UK. At the same time, certain countries have incentivised British workers to move abroad by offering advantageous tax breaks and an "enhanced quality of life". For example, the lure of Dubai has been too great for many to ignore.

Attractive relocation packages, a cosmopolitan lifestyle, the opportunity to work for a top international business tax free, good schools, restaurants and hotels are only some of the draws. The job-seekers we speak to on a daily basis refer to "the work-life balance". They, therefore, are prepared to be more adventurous in order to

experience a different lifestyle, a different culture.

Yet it is important to sound a word of warning: a number of job-seekers have fallen into the trap of misjudging the effects of the global market downturn and many who moved to Dubai to "live the dream" are out of work and struggling to find a new position.

Finally, the announcement in the recent Budget that people earning more than £150,000 will have to pay a hefty 50 per cent tax, from next April, is likely to have an impact on the number of people moving abroad. The very high earners may well be drawn to the traditional bolt holes of Monaco and Switzerland, whereas high-earning job-seekers will have further incentive to move to more tax-efficient shores, particularly as

international experience is increasingly sought by employers looking for talent.

Boundaries, both physical and mental, are being overcome at an alarming rate, with the result that the world is becoming a far more accessible place for the increasingly adventurous and transient job-seeker. People are no longer restricted by the limitations of the city in which they live or even the borders of the country they were born in.

Emigration, both in the short and long term, is bound to increase in future and potentially at an alarming rate if the Government continues to make it unappealing for job-seekers to work here.

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